



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 9

MEETING DATE: January 21, 2026

SUBJECT: Annual Discharge of Uncollectible Receivables

SUBMITTED FOR: Action Information

RECOMMENDATION

Approve the discharge of \$142,888 uncollectible receivables.

PURPOSE/STRATEGIC PRIORITY

This item complies with reporting requirements in the Error Correction Policy.

DISCUSSION

Staff has prepared the annual request to discharge uncollectible receivable accounts from SCERS's general ledger. This action is part of an established, recurring process for reviewing, managing, and resolving outstanding benefit overpayments that remain in collection status.

Benefit overpayments (most commonly resulting from death-related payment timing) continue to represent the primary source of receivables subject to collection activity. SCERS maintains established procedures to identify overpayments, pursue recovery, and apply offsets against future benefit payments or death benefits when available. When recovery efforts have been exhausted or are no longer cost-effective, accounts may be evaluated for discharge in accordance with policy.

In parallel with the annual discharge process, management continues to refine business practices related to death reporting, benefit cessation, and receivable monitoring. These ongoing improvements are intended to enhance timeliness, reduce future overpayment risk, and strengthen internal controls while maintaining compliance with applicable accounting standards and member privacy protections.

DISCHARGE REQUEST

Staff, in consultation with the General Counsel, has deemed 38 accounts totaling \$142,888 as uncollectable due to a variety of often overlapping factors, such as the passage of time, the cost of recovery, the amount of the debt, and the ability to identify, locate and pursue a culpable debtor. Staff is requesting the discharge of the uncollectible receivables identified in the attachment.

ATTACHMENT

- Board Order
- 2026 Proposed Discharge of Uncollectable Receivables

Prepared by:

/S/

Margo Allen
Chief Operations Officer

Reviewed by:

/S/

Eric Stern
Chief Executive Officer

Retirement Board Order

Sacramento County Employees' Retirement System

Before the Board of Retirement
January 21, 2026

AGENDA ITEM:

Annual Discharge of Uncollectible Receivables

THE BOARD OF RETIREMENT hereby approves the Staff recommendation to approve the discharge of \$142,888 of uncollectible receivables.

I HEREBY CERTIFY that the above order was passed and adopted on January 21, 2026 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES (Present but not voting):

Chris Giboney
Board President

Eric Stern
Chief Executive Officer and
Board Secretary

Attachment
2026 Proposed Discharge of Uncollectable Receivables
As of December 31, 2025

Table 1 – Accounts Receivable Recommended for Discharge

Balance Range	# Accts	Amount
\$0 – \$1,000	29	\$6,074
\$1,001 – \$5,000	7	\$16,451
\$5,001 and over	2	\$120,363
Total	38	\$142,888

Table 2 – Outstanding Accounts Receivable

Balance Range	Before Discharge	Proposed Discharge	After Discharge
\$0 – \$1,000	\$47,237	\$6,074	\$41,163
\$1,001 – \$5,000	\$176,053	\$16,451	\$159,602
\$5,001 and over	\$211,940	\$120,363	\$91,576
Total	\$435,230	\$142,888	\$292,342

Attachment
2026 Proposed Discharge of Uncollectable Receivables
As of December 31, 2025

Table 3 – 2025 Accounts Receivable Recoveries

Recovery Method	# Accts	Amount
*SCERS	122	\$182,962
Division of Revenue Recovery (DRR)	5	\$7,476
Total	127	\$190,438

*Reflects April-December 2025 recoveries due to new data report

Table 4 – 2025 Division of Revenue Recovery (DRR)

Recovery Method	# Accts	Amount
Payment Plans	3	\$1,565
Court/Settlement	2	\$5,911
Total	5	\$7,476